Conference Report

U.S.-Pakistan Strategic Partnership: A Track-Two Dialogue

Conference organized by the Center for Contemporary Conflict, U.S. Naval Postgraduate School, and the National Defense University, Islamabad, Pakistan

Islamabad, Pakistan February 21-22, 2007

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Strategic Insights is a bi-monthly electronic journal produced by the Center for Contemporary Conflict at the Naval Postgraduate School in Monterey, California. The views expressed here are those of the author(s) and do not necessarily represent the views of NPS, the Department of Defense, or the U.S. Government.

Executive Summary

On February 21-22, 2007, Pakistan's National Defense University (NDU) in collaboration with the Center for Contemporary Conflict (CCC) hosted the first conference on the *U.S.-Pakistan Strategic Partnership* in Islamabad. Sponsored by the Defense Threat Reduction Agency and the National Nuclear Security Administration, the conference brought together top defense, academic, and political experts from Pakistan and the United States to examine the future of the bilateral relationship. This was the first in a series of events to explore pressing issues in the U.S.-Pakistan partnership. Key themes raised include:

- The trust deficit in the U.S.-Pakistan relationship. A key theme was the "trust-deficit" referring to U.S. skepticism of Pakistan's commitment to the Global War on Terror (GWOT) and its record on nonproliferation, and Pakistani concerns about another U.S. withdrawal from the region, its new partnership with India, its neglect of Kashmir, and perceived U.S. hostility toward the Muslim world.
- U.S. perceptions of Pakistan's role in GWOT. Pakistanis criticized U.S. statements
 that Islamabad is not doing enough to counter extremism and the Taliban, pointing to the
 many captured and killed Al-Qaeda operatives at the cost of high military casualties as
 proof of their commitment—despite the difficulty of managing the Federally Administered
 Tribal Areas (FATA) and the lack of stability in Afghanistan. Pakistanis believe that the
 world community is poorly informed about ground realities.
- Stability in Afghanistan is key to Pakistani and South Asian development. For
 Pakistan to "do more" and maintain its side of the border, more most be done to stabilize
 Afghanistan, largely ignored because of the U.S. shift in focus toward Iraq. Increased
 stability in Afghanistan is in Pakistan's interest as it opens up potential new energy
 corridors, which would benefit the entire region.
- Concerns about the U.S.-India partnership. Pakistanis warned that the U.S.-India
 nuclear deal eventually (not immediately) might alter India's nuclear posture, forcing a
 shift away from minimum deterrence toward a greater stress on military readiness.

- Pakistanis also expressed concern over the impact of Washington's tilt toward India on lingering Indo-Pak disputes, specifically over Kashmir.
- A.Q. Khan's legacy. Americans are still concerned about Pakistan's commitment to
 nonproliferation, whereas Pakistanis insist on having tightened up security over their
 nuclear complex and hope that their cooperation in shutting down the Khan network and
 improved nuclear command and control will foster international trust and allow the
 country to obtain civil nuclear energy assistance.
- Growing populations, shifting demographics, and stresses on natural resources
 and infrastructure are big problems in Pakistan, as in much of the Middle East and
 South Asia. While the scope of these new problems is starting to be well understood, the
 implications for democratic governance, ethnic and sectarian conflict, and recruitment of
 disaffected youth by extremist elements are matters that have not received the attention
 they deserve. Impoverishment and unemployment are feeding grounds for all kinds of
 extremists and could result in greater instability in the future.

1. Opening Remarks

Pakistani opening comments stressed the need to correct misperceptions between the United States and Pakistan, identify root causes of regional and international instability, and look for possible solutions. Further discussion centered on the need for a more durable long-term security strategy between the two states, but in order to obtain this goal, Pakistanis and Americans needed to overcome the gaps in understanding and trust that have developed over the past several decades.

U.S. opening remarks on the development of this bilateral "track 2" conference was a culmination of discussions and meetings with Pakistani and U.S. officials over the critical need of identifying the long-term objectives and parameters of the relationship. This dialogue was an opportunity for both sides to focus on the future, rather than exclusively looking to the lulls of the past, which happens in most bilateral meetings. Further, the forward-looking nature of this event was designed to help reduce the possibility of conflict through the mutual sharing of perceptions and projections of issues that will affect the future of the bilateral strategic relationship.



Dr. Peter Lavoy, Brig. (ret.) Feroz Hassan Khan, and attendees of the U.S.-Pakistan Strategic Partnership Conference

2. U.S. Keynote Speaker

A senior U.S. Government official addressed the conference on a wide range of issues facing the present and future U.S.-Pakistan relationship from an official U.S. perspective. He noted that there was continued cooperation on important issues of education and economics, featuring a major U.S. initiative to rebuild schools in the earthquake zone and to "build back better." He remarked that the Federally Administered Tribal Areas (FATA) couldn't be dealt with exclusively through military measures: political and economic development is needed to help neutralize extremist control over this region. The United States, especially after September 11, is committed to the stability and security of South Asia, and conferences such as these are important in the process of ameliorating skepticism of the United States in Pakistan.

3. General Trends in U.S.-Pakistan Relations

The first Pakistani presenter began by stating that terrorism would dominate the 21st century, especially if misperceptions continue to grow between the Muslim World and the West. Other issues, such as the proliferation of nuclear weapons, energy security, the degradation of the environment and globalization are considerable issues that will shape global trends. In the third world the presenter explained that globalization is not necessarily viewed positively, as often it is seen as a new form of colonialism. The panelist noted that while the Pakistan government certainly wishes to strengthen its relations with the West, the domestic political environment in Pakistan is dangerous and erratic, and will be a major factor in the bilateral relationship for many years to come.

One U.S. government speaker set the scene by presenting a brief overview of "Mapping Global Futures: 2020," especially as it pertains to Pakistan and South Asia more generally.[1] The presenter summarized the report's background, analysis, and conclusions, and also spoke about the work now underway for the next 2025 report. He highlighted four major themes that will shape the global future:

- Globalization;
- The rise of new global actors, primarily China and India;
- New challenges of governance, fueled by globalization and growing domestic demands for resources and the other benefits of globalization; and
- A more pervasive international insecurity—resulting from the conflicting issues of an integrated market and increased terrorism.

For the 2008 report, initial themes for what will shape global futures in 2025 are Iraq and its role in regional and global security; concerns over global climate change; and secure access to energy by large and emerging economic powers.

The next Pakistani presenter stressed that this dialogue is long overdue. Despite six years of a revitalized strategic relationship between the United States and Pakistan, disputes and issues of contention still remain including on the safety and security of nuclear weapons, the Kashmir dispute, democracy, and terrorism. Though the United States will remain the dominant hegemon in the world, U.S. power has its limits. The United States needs trusted and time-tested allies such as Pakistan, a frontline state in the GWOT. Political development, shifting demographics, relations with China and India, sectarian divisions, Israel-Palestine, and nuclear proliferation, are some of the issues that will affect the U.S.-Pakistan relationship directly and indirectly. The presenter pointed to stability in Afghanistan and its internal integrity and security in the long run

as the most critical factor for the durability and quality of U.S.-Pakistan relations in the decades ahead.

Demographics and Public Opinion

One conference participant questioned whether the U.S.-Pakistan relationship is destined for failure. The second Pakistani presenter dismissed the notion of a "clash of civilizations" as a reason for misperceptions in U.S.-Pakistan relations, but observed that there is a deep resentment over U.S. policies, especially in the Middle East and the Islamic world. Within the Pakistani population, the United States is seen as the only beneficiary of the relationship, and it is important for Pakistanis to be educated on the benefits of the relationship for them. The presenter alluded to shifting demographics as a critical issue in the third world's development. Growing populations in areas where extreme social and economic disparities exist will greatly affect Pakistan's long-term domestic political stability. The panelist stated that the United States should move past the "aid" stage in the relationship, and shift toward investment in Pakistan that is tangibly noticed by the public.

India and China

Pakistani audience members inquired about the point at which the U.S.-India relationship should cause significant alarm to Pakistan. The panel members stated that the U.S.-India relationship is premised on mutual economic, business, and trade interests. Regarding the U.S.-India nuclear deal, one panel member observed that there are still conflicting opinions within the United States over the implementation of the approved plan, with strong reservations among powerful bureaucratic and political forces on both sides.

The United States weighs its relationships with India and Pakistan on separate tracks, and further, the United States is cognizant of the structural imbalance. A participant from the U.S. audience inquired as to whether China could replace the United State as the primary strategic partner for Pakistan. A Pakistani panel member answered that China has long been Pakistan's strategic neighbor and that the relationship has always been beneficial and critical to Pakistan. Pakistan has always balanced the Pakistan-China-U.S. triangle, usually with good success. Since 9/11 it was in Pakistan's best interests to partner with the United States; yet the relationship with China is also valuable and is not mutually exclusive with good ties to Washington. The first Pakistani panelist remarked that if a time comes in the future when Pakistan must choose between China and the United States, "it should not be hard to guess where Pakistan would go."

Strategic Relationship or One-Time Contract?

The first Pakistani panelist observed that popular sentiment in Pakistan is not anti-American, but rather anti-U.S. administration. Based on the up-and-down historical pattern of the U.S.-Pakistan relationship, there is concern that this strategic partnership will turn into a "one-time contract." The second Pakistani panelist reiterated that a shift is needed toward reconciliation militarily between the United States, Pakistan, and Afghanistan with careful coordination among all three governments. As was brought out in later panels, many of the participants expressed concern that the United States would repeat its historical trend of abandonment from Pakistan, if not this time from South Asia (because of the perception that Washington would have long-term economic and political ties to India).

4. Pakistani Keynote Speaker

A senior Pakistani government official spoke on the internal and external security challenges that Pakistan has faced in recent years and will face in the coming decades, and how he and other Pakistanis see and the potential roles the United States could play to help Pakistan address

these challenges. The speaker remarked that the 2002 military crisis between India and Pakistan was essentially South Asia's equivalent of the Cuban Missile Crisis. From that event, there was a realization in Pakistan and probably in India too that war was no longer on option between the two rival nuclear-armed countries. On the Afghanistan border, the current GWOT demonstrates that Pakistan is a critical frontline state, and has remained one ever since the 1979 Soviet invasion of Afghanistan. In response to the 9/11 attacks and the subsequent political and security challenges Pakistan has faced, the keynote speaker said that President Musharraf made the right decision to move against the Taliban and join the U.S.-led international coalition against al-Qaeda and the Taliban, thus preventing Pakistan from becoming—in the eyes of the West—a pariah state. He also spoke positively about the Musharraf government's promotion of "enlightened moderation," which is a strong force for positive change and stability not only within Pakistan but also throughout South Asia and indeed across the entire Islamic world.

Major Issues Affecting South Asian Stability

The keynote speaker observed that there are three global issues that will affect South Asia's long-term stability:

- Nuclearization of Muslim nations: the implications of a nuclear-armed Iran and the subsequent reactions for other Middle East nations are a looming concern for the entire Muslim world, and will have a negative impact on Pakistani security (especially if the United States or another country uses force to try to thwart the nuclear ambitions of Iran).
- The growing influence of the United States on three major South Asian states: Pakistan, India, and Afghanistan. This is the first time the United States has had considerable influence on all three countries, and all three are watching closely to see how the United States manages differences among them.
- The weakening of political influence of the United States in South Asia after major military and diplomatic operations, such as in Iraq. As a result of the U.S. difficulties in Iraq and on the Iranian nuclear issues, there has been the rise of more traditional powers, such as Russia and China. The diplomacy of Russia and China are mainly driven by their need for energy resources. As for China, Hussain emphasized that the China-Pakistan relationship remains vibrant. It is a close relationship, and growing more so. Postulating is one matter, but policy is another, and China follows up its nice talk to Islamabad with tangible policy actions.

Perspectives on Future U.S. Influence in South Asia and the Middle East

The speaker believes that the United States is still following an ideological form of foreign policy. Because of this track, U.S. foreign policy has become extremely inflexible. One can juxtapose the foreign policies of China and Russia, for example, as more "balanced" in their approach to touch problems in the world and in South Asia, in particular. From a Pakistani perspective, China should be treated as a *de facto* South Asian nation. Despite the reemergence of old powers, this does not necessarily mean the decline of the United States as a major hegemon. According to the speaker, three major items will affect future U.S. influence:

- Whether the United States uses military action against Iran, and subsequently the possible destabilization of that country and certain destabilization of Iran's neighbors, including Pakistan.
- In Afghanistan, there seems to be a loss in U.S. and international policy focus, while attention is squarely on Iraq—where U.S. interests are suffering. The United States

needs to reaffirm its commitment to a stable Afghanistan and partner with regional neighbors to devise workable long-term political and security arrangements.

• The peace process between Israel and Palestine is a lingering issue in the Muslim world. The overwhelming Muslim majority does not see a clash between the United States and Islam as necessary, or as religious. The Muslim world sees it as politically driven with negative sentiments based on misguided U.S. policies. In the end there is a growing cultural gap between the West and the Muslim world. Muslims personalize their relationships—even international relationships. The speaker stated that Pakistanis and other Muslims need to work better on not viewing the relationship in emotional terms, and in order to accomplish this there must be an increase in trust.

Muslim World Perception

American conference recognized affirmed that recent U.S. policies have caused animosity among the Muslim world; however, questions were raised on the role of Muslim governments and Muslim moderate elite community in shaping perception and minimizing the growth of extremist sentiment. The speaker stated that Muslim elites have by and large failed, and do not have legitimate respect in the Muslim world. Over \$600 billion is stashed away in various locations by the governments in power today, and the people of these states are not reaping the benefits. Even with the perception problems of the United States and the anger it creates, the Muslim community still has to clean up its own mess. In order for this happen there must be a more focused non-defense relationship with the United States on issues of education and healthcare. There needs to be a real and visible increase these relations and cooperation on issues that will "win the hearts" of the population.

U.S. Role in the FATA and Pakistan

In response to a question about what role the United States will play in the FATA, the speaker responded that according to the 9/11 Commission, Afghanistan, Pakistan and Saudi Arabia are pivotal for America's security. The relatively privileged way of life in America and Europe is based upon the stability in these countries. There is a direct linkage between the obvious lack of stability, justice, and resolution of conflicts in this part of the world with the region's relatively sluggish economic development and restrained foreign support for that development. The keynote speaker does not believe that the United States will "dump" Pakistan like the last time (during the troubled decade of the 1990s) because it is in Washington's national interest to sustain close and wideranging ties with Pakistan, and American leaders recognize this to be the case.



Senator Mushahid Hussain Syed

5. Regional Stability in South Asia, Central Asia, and Middle East

The first U.S. panelist presented on Middle East regional stability and its implications for Pakistan, observed that the Persian Gulf states will have to double energy production over the next 10 to 15 years in order to keep pace with the growing energy needs of the world. The region's elites are placed in an increasingly difficult position because of the pressures of globalization, in which they are caught in the middle of the increasingly vocal domestic demands of their population for social and political justice and the right to reap the rewards of global commerce and the interests of the international community, which seeks more and more lucrative deals for the vital resources (notably oil and natural gas) produced in the Gulf region. At the macro-level, most of the region's regimes have been increasingly anxious to reduce their dependence on the United States. This is exemplified by the Saudis welcoming Chinese and Russian assistance over U.S. objections. At the regional level, one sees the emergence of increased national-level flashpoints such as U.S.-Iran, U.S.- Iran- Israel- Syria, Saudi Arabia-Iraq, Sunni states- Iran, and Sunni states-Islamists. The Pakistanis should be extremely concerned about what transpires in the region especially because of the sectarian overtones.

Aside from the developing flashpoints, another troubling fear concerns the economic, social, and political impacts of rapidly growing populations and mounting environmental strains. As unemployment grows and stress develops on natural resources such as water and energy, there must be an immediate investment into state social and economic infrastructures while the oil boom is still strong. Without these investments and tangible results, larger states such as Iraq, Saudi Arabia, and Iran will not be able to cope with their domestic strains and invariably their

troubles with affect the entire region. Moreover, these demographic pressures and resource constraints contain the potential for intra-regional flashpoints and domestic turmoil. As far as Pakistan is concerned, its large worker populations in the Middle East, upon which Pakistan's economy depends, are very susceptible to dislocation and possibly even social and political pressures.

The Pakistan presenter on the Middle East spoke of a "dual-personality" that encompasses the average Pakistani—one that is South Asian and the other that is Middle Eastern. In Pakistan, this dual identity has caused negative sentiment towards the United States because of its policies in the Middle East (e.g., Israel-Palestine and the Iraq war). The presenter went on by addressing recent Pakistani and regional concerns over the rejection of elected governments such as Hamas. The panelist argued that if you reject Fatah you get Hamas; reject Hamas you get Islamic Jihad, and the ensuing sectarian cleavages that are felt throughout the Muslim world, including Pakistan. While Pakistan rejects nuclear proliferation around the world, he expressed concern over the escalation of threatening rhetoric from the United States toward Iran at the expense of a negotiated solution to the nuclear crisis. An attack against Iran would inevitably cause increased anti-American sentiment and sectarian convulsions in Pakistan and in the region at large.

The next Pakistani panelist presented on the current state of the Central Asian Republics (CARs) and the implications of instability for the region. The panelist remarked that many of the CARs are still limping along and trying to shift from the communist economic structure to market-based economies. Within these states, however, the currencies are still non-convertible; there is inadequate infrastructure, punitive tariffs, a non-developed banking sector, and inconsistent respect for business contracts. Despite these problems, the CARs, especially Kazakhstan, Uzbekistan, and Turkmenistan, are rich in natural resources (notably oil and natural gas). Central Asia is beginning to exploit its resources through pipelines and Pakistan could become a key transit state into India and greater Asia. With these emerging resources, there is greater presence in the region from the likes of Russia, China, and the United States, which could potentially cause international tensions.

The final Pakistani panelist presented a paper examining peace and stability issues in South Asia, especially the unresolved issue of Kashmir. As the panelist stated. Kashmir is a symptom of the deep-seated rivalry between India and Pakistan that has existed ever since the creation of the two states in 1947. Currently, India claims that the problem of Kashmir is based on terrorism supported by Pakistan. Conversely, Pakistan feels that human rights issues have not been properly addressed. The panelist concluded that the international community should assist in resolving Kashmir. The speaker was not optimistic about a satisfactory resolution to the Kashmir conflict at the India-Pakistan bilateral talks.

Iran

Possible military action against Iran and the subsequent consequences were consistently brought up to the panel for further discussion. The U.S. panelist emphasized that we cannot predict with any reasonable degree of assurance how Iran would respond to a U.S. attack. We lack insight into the motivations and drivers of Iran. However, the United States does assume that Iran would "do what it has to do" with disastrous consequences for the region, including Pakistan, which is heavily invested in the Gulf. Under these circumstances, The U.S. panelist believes that an attack on Iran is not a viable option at this time. The second Pakistani presenter added that if an attack were to occur, the fallout would tear apart Pakistan and would do Iran a favor by creating a more Ayatollah-enamored population.

U.S.-India Nuclear Partnership

The second Pakistani panelist addressed the specific concerns Pakistan has over the U.S.-India relationship. Pakistan is not so worried about U.S. cooperation with India, he said. The real Pakistani concern centers on how the relationship will affect India's future behavior in the region. This also affects the nuclear deterrent that has been a confidence boon for Pakistan. Since Pakistan's deterrent is aimed only against India, a radical shift in Indian military and technological capabilities could undermine the confidence Pakistani defense planners have in their deterrent. Thus, any shift in Indian behavior is a concern.

Issues to Consider

At the conclusion of the discussion, the panel chair brought up outstanding issues for the panel and audience to consider regarding the impacts of regional dynamics on the long-term U.S.-Pakistan relationship.

- The issue of governance: What directions are South Asian states headed in—toward political reform or stability?
- The rise of Sunni/Shiite tensions, or the "twin pillars" of Saudi and Iranian interests: How will this affect Pakistan?
- On Iran's nuclear weapons program, other than simple diplomacy, what should the
 United States and the international community do? In what form will the bilateral
 balancing behavior take place between Saudi Arabia and Iran? Will they embark on a
 regional arms race? How does Pakistan fit into this equation?
- In Central Asia, Pakistani and U.S. interests are at an all time low. How will the United States and Pakistan promote their interests, despite the spillover of the illegal drug market and political extremism?
- What should the United States and Pakistan do to deal with Kashmir in the future? In what form would Pakistanis really want U.S. influence on this issue?



Mr. James Russell and Dr. Zafar Jaspal

6. Defense Cooperation

The U.S. paper presenter began by repudiating that U.S.-Pakistan defense cooperation between the two states is a recent phenomenon. Between 1954 and 2002, the United States provided Pakistan a total of \$12.6 billion in economic and military assistance. Since 9/11, the U.S. has provided \$9.008 billion. An amount of \$4.421.7 billion has been given in economic and military assistance to Pakistan, in addition to the \$4.586 billion in reimbursement for Pakistan's military contribution to Operation Enduring Freedom.

These numbers, however, do not reflect the three instances of U.S. abandonment perceived by the Pakistanis, specifically the 1965 and 1971 wars with India, along with U.S. withdrawal after the Soviets left Afghanistan, and the subsequent Pressler sanctions on Pakistan because of the latter's nuclear weapons program. Currently, with much U.S. rhetoric stating that Pakistan is not doing enough against the Taliban, the A.Q. Khan affair, and the growing U.S.-India partnership, any attempt to enhance the defense cooperation is a complicated endeavor.

The presenter, however, laid out valuable suggestions on a way forward between the two states:

- A genuine strategic dialogue is needed. An effective dialogue is something
 institutionalized and is monitored at a high level, dealing with contentious issues in which
 there is constant collaboration.
- Second, on the U.S. side, there should be more investment in senior-to-senior relations.
 Most meetings in Pakistan take place in a day or two, and are confined to Islamabad.
 Senior leaders need to travel out into other areas of Pakistan and stay longer to
 understand the complex dynamics of the country.
- The United Sates should consider giving a security guarantee to Pakistan (and also to India). Whatever guarantees are made would have a high cost—but Pakistan would have to be more open if such a guarantee existed.

• There needs to be an enhancement of senior official American exchange programs with defense universities and real-time intelligence exchanges that allow better collaboration.

The presenter concluded that Pakistan is the linchpin to success on the GWOT. There is no other country that can serve as an alternative and there must be another way to end the track of distrust and doubt.

The Pakistani panelist observed that from the Pakistani perspective, the convergence of Pakistan's strategic reliance policies comes from predominant and longstanding concerns over India. From the defense relationship, Pakistan wishes to maintain symmetry with India, and Pakistan's primary purpose is to remove the conventional gap between the two states. The pre observed in his talk four major issues that will affect the defense relationship:

- The protracted efforts of NATO forces in Afghanistan
- The misplaced U.S. apprehensions regarding Pakistan's nuclear position (noting Pakistan's adoption of UN 1540 export controls).
- China 's rising military capability.
- U.S. unwillingness to side with Pakistan on the Kashmir issue.

Perceptions and Trust

During the discussion, multiple questions arose on how the defense relationship could advance despite the presence of a significant trust deficit and ongoing negative sentiments in each country. The U.S. panelist reiterated that high-level military officials coming to Pakistan are usually on a three or four country tour, and Pakistan is only at most a three-day stop. Most visitors spend a few hours or day-trip, make a couple office calls, and receive the traditional Pakistani hospitality before heading out to Delhi or Kabul. The U.S. embassy needs to educate traveling officials on the role and functionality of visits to Pakistan. In the end, negative sentiments are not bad things, they need to be addressed at some point, but not necessarily vetted in the press. This message is especially relevant to the current claim that Pakistan is not doing enough to rein in the Taliban.

The Security Guarantee

Members of the audience questioned the plausibility of a security guarantee and whether it was a relevant concept. The U.S. presenter responded by promoting the security guarantee as a last step, not a first step. He acknowledged that the idea maybe inconceivable, but it is a confidence builder that would promote broad reciprocation in the relationship. As seen in the first 60 plus years of the relationship, there have been constant ups and downs, and an idea such as this could bring about stability.

7. Nuclear World Order and Nonproliferation

The panel chair, opened the panel by describing the evolution of Pakistan's nuclear thinking—suggesting that new nuclear powers take time to understand living with that awesome capability, and that Pakistan is no different. He presented a framework to the conference for later discussion.

- Will nonproliferation remain the centerpiece of U.S.-Pakistan relations? How does one define nonproliferation—does this mean nuclear technology from Pakistan, or imply Pakistani qualitative upgrades?
- What is the United States doing to promote or hinder strategic stability in the region?
- What are the prospects for nuclear energy development in Pakistan? How can the United States and Pakistan cooperate on energy issues?
- Will A.Q. Khan continue to haunt Pakistan for years to come?

The U.S. presenter affirmed that nonproliferation will remain the centerpiece of U.S.-Pakistan relations, but not in the way it has in the past. The centerpiece is now to stem proliferation both "vertically and horizontally." Looking at vertical proliferation in terms of India and Pakistan, it is not known if having more nuclear weapons (for one nation) or fewer makes one safer. This debate continues to this day, however. India and Pakistan have both said they will rely on minimum deterrence only. Second, because India and Pakistan have chosen the nuclear route, they are now responsible for not only bilateral stability and internal stability, but also regional stability. Because of A.Q. Khan, the United States will continue to look nervously to Pakistan regarding sensitive technology transfers. Pakistan had laws on the books to stop proliferation during the time when the A.Q. Khan network operated; so continuing to pass new laws today will not ease international concerns. What is more important is how these laws are implemented.

Export controls are now where both states' interests align. Nuclear weapons have brought about stability to India and Pakistan. The United States, while concerned about stability, does not perceive the same threats, as does Pakistan. The United States and Pakistan will continue to have different perceptions, but the leaders of each country need to see beyond them and formulate policies that are mutually beneficial.

One key issue raised by the U.S. presenter surprised most Pakistani participants. He alluded to a Pakistani request for provisions of monitoring equipment for its safeguarded nuclear power reactors at Chasma (CHASNUPP, Chasma Nuclear Power Plant), originally provided by China (as the Qinshan reactor). The monitoring equipment was required as a safety measure to ensure that no loose parts, if any, slip into the power reactors. The presenter surmised that this gave an impression that Pakistan's nuclear reactors are unsafe and implies poor safety management. He also explained that there were concerns within the United States that the safety equipment required by Pakistan for the power plant had an additional usage in enhancing centrifuges. The Pakistani impression was that the safety equipment was a requirement by the nuclear regulatory authority and had the approval of the IAEA, being under its safeguards. The NPT and legal restraints in the United States are the biggest challenge to U.S. nuclear assistance, but regardless, India and Pakistan need to work together with the practical realities of the international environment.

The Pakistan paper presenter explained that states do not acquire nuclear weapons to menace their neighbors, but to protect themselves from perceived threats. During the Cold War, there was a nuclear world order; now the international environment is more opaque. He expressed concern as to whether the United States fears nuclear proliferation in the present era for international security reasons, or, is it a matter of their own personal interests. The panelist was concerned over the degradation of the NPT in light of the growing trend of nations to project their power. He noted that the United States and NATO allies are continuously in violation of articles 1 and 2 of the NPT, and he perceives that Washington's interest in treaties is on the decline. Proliferation seems to be easier in the post-Soviet uni-polar environment, and in tandem with the U.S.-India nuclear deal, states are more encouraged to go nuclear.

Loose Parts Safeguards

The discussion featured several question regarding why there wasn't a loose parts safeguard for CHASNUPP 1. The response from the U.S. presenter was that U.S. law is based on the U.S. Nonproliferation Act, which prohibits assistance to any state that does not have full-scope safeguards on its nuclear facilities. Pakistani site-specific safeguards are not enough and the Nuclear Suppliers Group would oppose a loose parts safeguard system transfer. After additional discussion, there was resolution that CHASNUPP may have sufficient safeguards that would allow loose parts assistance; however, this issue was left unresolved. The panel chair affirmed that this is a track 1 issue that must be discussed between the two governments.

Personal Reliability Program (PRP) and Proliferation Security Initiative (PSI), and UN 1540

The panel agreed with the necessity for Pakistan's development of a real PRP. However, there was disagreement on the extent of cooperation required. The panel also agreed that the United States holds different perceptions of PSI than in Pakistan. While the United States sees PSI as an effective tool to prevent transfers of sensitive technology, Pakistan sees itself as a target of PSI. Further, PSI is potentially a violation of international law and sovereignty as it has implications to the adherence to the "laws of the sea" convention. The panel noted that Pakistan has agreed to continue to be part of the Container Security Initiative (CSI), which is in consonance with UN 1540.



Dr. Pervaiz Iqbal Cheema, Brig. (ret.) Feroz Hassan Khan, and Dr. Neil Joeck

8. Countering Terrorism and Violent Extremism

The panel chair provided an interpretation of current international dynamics related to terrorism and violent extremism. One fundamental concept that is now irrelevant in the era of terrorism is the idea of deterrence. A person is able to sacrifice oneself without any affiliation to a state or organization, adding complexity to this issue. In conventional war, you know who the enemy is and can quantify his assets. In this case it is difficult to identify specific motivations.

The chair moved next to general population and misperceptions of the common Muslim. He spoke of a study conducted where over 95 percent of Muslim women who consider themselves deeply religious, also have completely secular ambitions such as careers and advance educations for themselves and their children. The question then is how to identify a terrorist and determine whether extremism is a state of mind or not. In the end one must avoid the stereotype of all religious Muslims are extremists, and we should concentrate on the battle of the mind, through resources and an emphasis on education.

The U.S. presenter commented that growing Western concern is not simply focused on acts of terrorism, but also on extremist Islamists taking hold of governments. This invariably is a concern the United States has regarding Pakistan. In exploring the future of Pakistan, one must understand the diversity of its Islamists and the ability to exacerbate religious conflict. While a perpetrator of terrorist acts maybe among the destitute and illiterate, the leadership that plans these attacks is usually well educated. Additionally, there is a need to understand why Americans

are hated all over the world. Usually the root of the animosity stems from unsettled issues of the Middle East (Palestine-Israel, Irag, Afghanistan).

The U.S. presenter outlined three possible outcomes for Pakistan in the near future:

- Strong central government ruled by either moderate Islamists, hard-line Islamists, or the armed forces:
- A participatory government structure based on the democratic model; and
- Social unrest, which often culminates in clashes based on religious, ethnic, and tribal identities.

For Pakistan to take the path toward moderate and potentially a participatory government, both the United States and Pakistan have to integrate strategies to minimize the effectiveness of extremism and reciprocal terrorist acts. The U.S. panelist offered practical recommendations for both states:

Recommendations for the United States:

- Support moderate activists through aid;
- · Improve coordination with intelligentsia; and
- Act as a mediator of conflicts, but not be the primary force behind negotiations.

Recommendations for Pakistan:

- Publicize the many benefits of U.S. engagement;
- Improve the quality of state/religious education:
- Increase counter-terrorism cooperation with the United States and regional allies; and
- Take the lead in resolving "old scores" (i.e. India).

The Pakistani presenter focused on the demographic statistics of Taliban sent back to Afghanistan from the FATA. Of those sent back, 65 percent were below the age of 30 and 35 percent were educated in religious madrassas. Economically, most of these individuals had little to no income. In terms of religious justifications, religious scholars motivated 40 percent, while the other 40 percent were motivated by non-religious reasons. Of those captured and sent back to Afghanistan, 30 percent said they would join-up again for jihad. It is difficult for the government of Pakistan to identify and capture people that physically appear like everyone else, and in the end have not committed a crime until the actual terrorist act. Most of these individuals are in bleak situations and see the Taliban as a symbol against the West and the new resistance movement.

The panelist contributed several suggestions on how to minimize the spread of extremism in the FATA and Pakistan overall. First, the FATA areas have not reaped the benefits of globalization. Economic, educational, and political development is necessary for any foreseeable progress. Second, a well-trained Afghanistan army will assist in the stability of the FATA area. Lastly, we cannot rule out the possibility of dealing with the Taliban at the political level.

Economic Activity and Security

During the panel discussions, there were several questions about what type of developmental programs would integrate well within the FATA. The panel agreed that the region needs economic *activity* and not simply economic assistance. Businesses and industries need incentives to establish a presence in the region. There have been numerous studies that correlate poverty level versus extremism and this issue needs to be addressed. Further, the reformation and development of education in the region is important to compete with the religious madrassas.

However, engagement and security must come first. Unless you have security at the base, you cannot develop upwardly. Therefore, a comprehensive policy employing both soft and hard power is needed for the long-term stability of FATA.

Other Areas of Contention

Other areas of contention including Kashmir, Baluchistan, and recent sectarian violence were brought up in tandem with their possible connection to the FATA. Ms. Ali stated that where one person is raised determines his or her affiliation; therefore, someone raised in the FATA would more than likely not end up fighting in Baluchistan. Further, the recent sectarian and suicide attack flare-ups are actions against the government and their affiliation with the West.



General (ret.) Jehangir Karamat and Ms. Farhana Ali

9. After Council Session

After the conclusion of the conference, all panelists and participants moved to a private discussion on the next steps for the project. During the closed door session participants and panelists addressed key conference points along with possible topics for future bilateral conferences.

- The American objectives in the GWOT—making sure that Afghanistan is stabilized and not a haven for terrorists:
- Stabilization of South Asia;
- The Gulf Region and what Pakistan can do to provide stability. Further, energy resources in the Gulf Region and the instability it may foster;
- U.S.-Pakistan differences on nuclear issues and Pakistan's demands in the civil nuclear field: and
- The India-Pakistan issue—is this something the United States, despite its limitations, can lend assistance to?

Afterwards, the U.S. delegation brought up another list of future conference topics and opened the debate to panelists. One U.S. panelist noted that there is skepticism from the Pakistani side regarding the growing U.S.-India partnership, and where the defense relationship is heading. Another topic could focus on the real prospects for rebuilding the FATA, reestablishment of the Malikis, and what the military role should be. Could this mean counter insurgency? These are issues the U.S. government wants to discuss.

After further discussion, the assembled group came up with six topics for consideration of future conferences on the U.S.-Pakistan Strategic Partnership:

- The GWOT: Afghanistan, the resurgence of the Taliban, and the FATA;
- The U.S.-India Partnership: ramifications for the U.S.-Pakistan relationship and implication on minimum deterrence in South Asia;
- The Trust Deficit: How deteriorating perceptions have affected the relationship and are we heading to a future dip in relations?
- Nuclear Proliferation: Will the Iran issue cause negative consequences in the Gulf and in South Asia? How would Pakistan react to reciprocal proliferation in Saudi Arabia, Turkey, and the region? How long will the A.Q. Khan legacy haunt nonproliferation issues?
- Energy Security: What are the issues surrounding Pakistan's civil nuclear component and how will Pakistan tie into Iran and Central Asia as the energy corridor?
- Shifting Demographics: the Middle East and South Asia are experiencing growing populations and increased strains on natural resources.



Dr. Peter Lavoy and Commandant of National Defense University, Lt. Gen. Mohammed Raza

The views expressed here are those of the author(s) and do not necessarily represent the views of NPS, the Department of Defense, or the U.S. Government.

References

1. For the full unclassified report, go to http://www.dni.gov/nic/NIC_globaltrend2020.html.